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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

ADDENDUM TO
TERRITORIAL AGREEMENT

This addendum is made by and between, the City of Pierre, and Oahe Electric Cooperative, Inc., for the purpose of supplementing a Territorial Agreement entered into between the parties dated January 10, 2006.

Whereas the Territorial Agreement dated January 10, 2006, is presently before the Public Utilities Commission of the State of South Dakota, pursuant to the parties joint petition for approval of the same, and

Whereas during the course of the approval process it has become apparent that it would be useful for the parties to agree upon and adopt a definition of the term "service location," specific to their agreement, and

Whereas the parties, after mutual consultation and agreement have drafted a definition of the term "service location" to be applicable in the adoption, implementation, and enforcement of their agreement,

IN CONSIDERATION of the prior agreement of the parties and the mutual covenants and agreements set out therein, it is hereby agreed that for all purposes in connection with the adoption, interpretation, implementation, and enforcement of that agreement dated January 10, 2006, the term "Service Location" shall be defined as follows:

"Service location" means one contiguous piece of real estate on which electrical sales are generated by the utility, the borders of which are defined by and which is set apart from the surrounding parcels by a legal description of record with the Register of Deeds, or division (such as platting or subdividing the land in accordance with local ordinances), a public road, or a body of water, which serve to distinguish one location from the surrounding area. For purposes of this agreement, a service location does not include platted or re-platted parcels where metered service is not being provided at the time of annexation or extension of municipal electric utilities into the annexed area. In addition an individual "service location" shall be limited to the area encompassing not more than, but may include up to, three separate structures or facilities of one customer served by either common or separate meters, including new meters installed following annexation.

It is further agreed that this definition shall be deemed a part of the parties original agreement as if set forth at length therein.

CITY OF PIERRE

OAHE ELECTRIC COOPERATIVE

By: *Don Gussach*

By: *Brad Smith*

Its: *Mayor*

Its: *GM*

(SEAL)

ATTEST:

By: *Tom P. [Signature]*
Its: *Bus Mgr*